

FISCAL NOTE

HB 3285 - SB 3322

February 18, 1998

SUMMARY OF BILL: Provides an exemption from the inheritance tax for the principal residence of the decedent and any real property owned by the decedent that was held for agricultural use. There is currently an exemption from the inheritance tax of \$600,000. The exemption in this bill would be in addition to the exemption provided in current law.

ESTIMATED FISCAL IMPACT:

Decrease State Revenues - Exceeds \$2,000,000

Estimate assumes that the majority of estates exceeding \$600,000 include either a primary residence or land held for agricultural use or both, and that the resulting decrease in revenue would easily exceed \$2,000,000. This estimate assumes that a residence and/or land valued at \$200,000 would represent \$12,600 in tax and that approximately 300 estates are subject to the inheritance tax each year.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director